COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF EQUITABLE)	CASE NO. 2003-00362
GAS COMPANY)	

<u>O R D E R</u>

On April 12, 1993, in Case No. 1992-00326, the Commission approved rates for Equitable Gas Company, a division of Equitable Resources, Inc. (Equitable), and provided for their further adjustment on a quarterly basis in accordance with Equitable s gas cost adjustment (GCA) clause.

On September 24, 2003, Equitable filed its proposed GCA to be effective November 1, 2003.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

- 1. Equitable s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
- 2. Equitable's expected gas cost (EGC) is \$8.61 per Mcf, which is a decrease of \$1.5943 per Mcf from its previous EGC of \$10.2043.
- 3. Equitable s notice sets out a current quarter actual adjustment (AA) of 3.46 cents per Mcf. Equitable s total AA is \$2.4507 per Mcf, which is 17.35 cents per Mcf less than the previous total AA.

4. Equitable s notice sets out a current quarter balancing adjustment (BA) of (4.92) cents per Mcf. Equitable s total BA is (10.46) cents per Mcf, which is 8.15 cents per Mcf more than the previous total BA.

5. Equitable's GCA is \$10.9561 per Mcf, \$1.6863 per Mcf less than its previous rate of \$12.6424.

6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Equitable on and after November 1, 2003.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order, attached hereto and incorporated herein, are approved for final meter readings on and after November 1, 2003.

2. Within 20 days of the date of this Order, Equitable shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 27th day of October, 2003.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00362 DATED October 27, 2003

The following rates and charges are prescribed for the customers in the area served by Equitable Gas Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATES: Monthly

Customer Charge		\$4.45		
		Base Rate	Gas Cost Recovery <u>Rate</u>	<u>Total Rate</u>
First	2 Mcf	\$1.0399	\$10.9561	\$11.9960
Next	18 Mcf	.8178	10.9561	11.7739
Next	30 Mcf	.7179	10.9561	11.6740
Next	50 Mcf	.6290	10.9561	11.5851
All Ove	er 100 Mcf	.5513	10.9561	11.5074

The minimum bill shall be \$4.45

The above rates include recovery of a Kentucky West Virginia Gas Company surcharge of 61.4 cents per Dth pursuant to the settlement of Docket No. TQ 89-1-46, et. al. before the Federal Energy Regulatory Commission.